Alm. Brand

third quarter

2013

Alm. Brand A/S · Midtermolen 7 · DK-2100 Copenhagen Ø · (CVR) no. 77 33 35 17

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Company information

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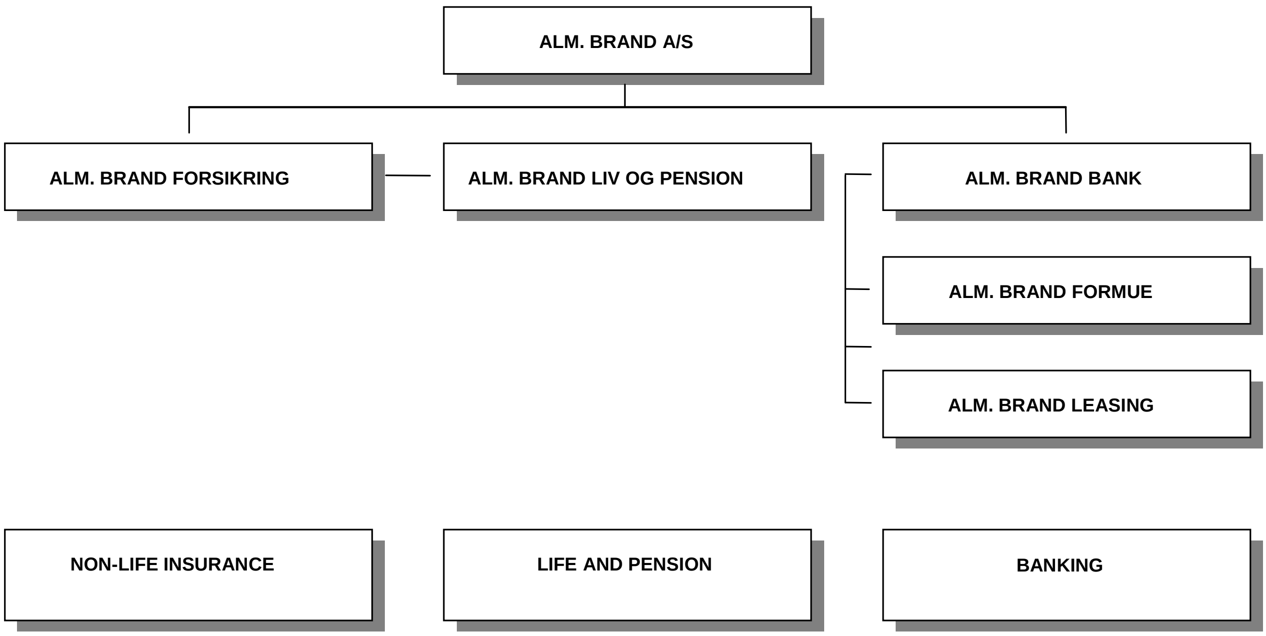
GROUP STRUCTURE



Companies with negligible or discontinued activities are not included

Alm. Brand is a listed Danish financial services group focusing on the Danish market. The group carries on non-life insurance, life insurance and pension activities as well as banking activities and generates annual consolidated revenue of DKK 7 billion yearly.

Alm. Brand's vision "We take care of our customers" is the guiding principle for the experience customers should have when they interact with Alm. Brand.

The group's insurance and pension products cover private lines, agriculture as well as small and medium-sized businesses. The bank focuses primarily on the private customer market as well as on asset management and markets activities.

Alm. Brand is Denmark's fourth largest provider of non-life insurance products. The group's life insurance, pension and banking activities complement the services we provide to our non-life insurance customers.

This is a translation of the Danish first to third quarter report 2013. In case of any discrepancies the Danish version prevails.

Financial highlights and key ratios

DKKm	Q3 2013	Q3 2012	Q1-Q3 2013	Q1-Q3 2012	Year 2012
Income					
Non-life Insurance	1,281	1,229	3,764	3,630	4,866
Banking	179	210	558	656	852
Life and Pension	190	208	655	643	903
Investments	158	176	510	548	726
Total income	**1,808**	**1,823**	**5,487**	**5,477**	**7,347**
Profit excluding minorities					
Non-life Insurance	266	228	638	606	853
Banking	-103	-176	-365	-373	-519
Life and Pension	22	24	71	70	90
Other activities	-11	-14	-34	-34	-44
Profit before tax	**174**	**62**	**310**	**269**	**380**
Tax	-45	-14	-137	-67	-94
Profit after tax	**129**	**48**	**173**	**202**	**286**
Profit, Group					
Profit before tax, Group	**186**	**77**	**321**	**296**	**411**
Tax	-45	-14	-137	-67	-94
Profit after tax, Group	**141**	**63**	**184**	**229**	**317**
Provisions for insurance contracts	18,609	19,822	18,609	19,822	19,678
Shareholders´ equity	4,658	4,426	4,658	4,426	4,506
Of which minority interests	145	136	145	136	137
Total assets	39,291	44,012	39,291	44,012	42,559
Return on equity before tax excluding minorities p.a.	16%	6%	9%	9%	9%
Return on equity after tax excluding minorities p.a.	12%	4%	5%	6%	7%
Earnings per Share	0.8	0.3	1.0	1.2	1.7
Diluted Earnings per Share	0.8	0.3	1.0	1.2	1.7
Net assets value per Share	26	25	26	25	25
Share price end of period	19.6	14.7	19.6	14.7	14.0
Share price/Net asset value	0.74	0.59	0.74	0.59	0.55
Number of shares end of period ('000)	171,224	173,094	171,224	173,094	172,790
Average number of shares ('000)	171,270	173,150	171,797	173,203	173,123

The Alm. Brand Group

Financial results

The Alm. Brand Group achieved a pre-tax profit excluding minorities of DKK 174 million in Q3, compared with a profit of DKK 62 million in Q3 2012. Losses and writedowns amounted to DKK 93 million in Q3.

Supported once again by very few weather-related claims, Non-life Insurance delivered a highly satisfactory performance. Following a slight increase in the number of claims in the second quarter, the underlying business again developed favourably. The investment result was also better than expected.

The group's life and pension activities delivered yet another strong performance, driven in particular by an excellent risk result.

The bank's continuing activities produced a profit before losses and writedowns. The performance was lifted, among other things, higher earnings from investment portfolios and lower expenses as well as by an inflow of new customers. The bank's discontinued activities continued to generate a loss.

For the nine months to 30 September, the group reported a consolidated pre-tax profit excluding minorities of DKK 310 million, against DKK 269 million in 2012. Excluding losses and writedowns, the group generated a profit of DKK 586 million, against a profit of DKK 601 million in the year-earlier period.

While better than expected, the performance was still not satisfactory.

Non-life Insurance
Non-life Insurance performed significantly better than expected in the third quarter. The combined ratio was 81.7 in Q3 and 85.1 in the 9M period.

Premiums rose by 4.2% year on year in Q3, which was better than expected. Growth remained particularly pronounced in the commercial segment.

The Q3 claims performance was characterised by very few weather-related claims. Claims expenses on the underlying business were lower than expected.

The Q3 investment result was lifted by the rising level of interest rates, because the interest rate sensitivity on provisions was greater than on the investment portfolio.

Banking
The bank's continuing activities produced a profit of DKK 15 million excluding losses and writedowns of DKK 18 million. The performance was driven, among other things, higher earnings from investment portfolios and lower expenses. Moreover, the bank saw an inflow of new customers and a slight increase in lending to private customers in the third quarter.

The bank repaid an additional DKK 200 million of the state-funded hybrid core capital in September. However, the full effect will not materialise until from the fourth quarter.

The bank's discontinued activities produced a loss of DKK 25 million before losses and writedowns of DKK 75 million. Agricultural customers in particular caused large losses in the third quarter.

Life and Pension
Supported by a strong risk result, the group's life insurance activities delivered a slightly better performance than expected in the third quarter.

Regular premiums fell by 4.1% in Q3, and single payments declined by 15.3% year on year. The reason for the decline in single premiums was the very large payments made in 2012. In addition, tax reform effects detracted from the Q3 performance. For the 9M period, the tax reform only had a limited adverse effect on premiums, however, and the inflow of new customers seems to be offsetting the negative consequences.

The investment result was adversely affected by rising interest rates in the third quarter, whereas the equity portfolio produced a positive return. When measured against the benchmark, the investment result was satisfactory.

Other business activities
Other business activities, consisting primarily of corporate expenses, performed in line with expectations. For the 9M period, the performance was a pre-tax expense of DKK 34 million, which was unchanged from 9M 2012.

Group
In the nine months ended 30 September, the group had an average of 1,578 employees, compared with 1,591 in the same period of 2012.

The Alm. Brand Group's consolidated revenue was DKK 5.5 billion in the 9M period.

Earnings per share amounted to DKK 1.0, and the net asset value per share was DKK 26 at 30 September 2013.

Consolidated equity was DKK 4.7 billion at 30 September 2013, which was DKK 0.2 billion higher than at 31 December 2012.

Capitalisation

The group's capital base totalled DKK 5,095 million at 30 September 2013, corresponding to an excess cover of DKK 2,207 million relative to the statutory capital requirement for the group.

The group's internal capital target was DKK 4,364 million. The capital target has been aligned with the stricter requirements under Solvency II and Basel III and provides a buffer for absorbing a number of unforeseen external events.

DKKm	
Capital base of the group	5,095
Statutory capital requirement for the group	2,888
Excess relative to statutory capital requirement	**2,207**
Internal capital target of the group	4,364
Excess relative to internal capital target	731

New capital adequacy rules (CRD IV)
New capital adequacy rules adopted by the EU will enter into force on 1 January 2014. The new rules prescribe, among other things, that equity should constitute a greater part of the capital base and set stricter requirements for the qualitysize of the capital. The rules also provide for a toughened scaling-down of the inclusion of supplementary capital and a tightening of the requirements for hybrid capital. The rules will be phased in from 2014 to 2019, but the most significant changes for the bank will take place already in 2014.

As a result of the rules, the value of the group's supplementary capital in the solvency calculation will decline by DKK 225 million on 1 January 2014 and by an additional DKK 185 million during 2014. The group expects to continue to maintain capital excess coverage relative to the capital target.

Major events

Events in the third quarter

Capital injection into the bank and repayment of hybrid core capital
The bank repaid an additional DKK 200 million of the state-funded hybrid core capital on 11 September 2013, bringing the total amount owed to DKK 226 million.

Repayment of government guaranteed bonds
On 1 July 2013, the bank repaid the remaining DKK 950 million of the original DKK 6 billion bond issue, which has now been repaid in full.

Events after the end of the reporting period

Storm on 28 October 2013
On Monday, 28 October 2013, the southern part of Denmark in particular was hit by a hurricane-force storm with the strongest wind gusts ever recorded in Denmark. The storm went ashore in southern Jutland and quickly spread in a north-easterly direction across Funen to Zealand. The highest wind speeds of 192.6 km/h were recorded at Kegnæs Fyr in southern Jutland.

The storm resulted in many personal injuries. While the property damage was extensive, the situation was not nearly as severe as the storm in December 1999 – the most expensive claims event recorded to date.

Alm. Brand expects to receive 20-25,000 claims reports. Many customers with claims to report used our online claims reporting system at almbrand.dk. As a result, our telephone response times were reasonable considering the many telephone calls we received the first couple of days.

Claims expenses related to this event are estimated at DKK 350-450 million. Alm. Brand has an excess of DKK 75 million on its reinsurance programme, and any claims above this amount will be covered by reinsurance. After payment of reinstatement premiums for renewal, the total expense is expected to be in the region of 120-140 million. The expenses will be recognised in the financial statements for the fourth quarter.

Outlook

Outlook for 2013

The guidance for consolidated profit before losses and writedowns for the full year is maintained at DKK 550 million.

The very favourable Q3 performance is offset by expenses related to the storm over Denmark in October 2013.

The guidance is based on the following forecasts for the individual business areas:

DKKm	August 2013 *)	November 2013 *)
Non-life	615	615
Banking	-100	-100
Life and Pension	75	75
Other	-40	-40
Profit before tax and minorities	**550**	**550**

*) Before writedowns in the bank

The guidance for combined ratio, expense ratio and growth in Non-life Insurance is maintained at about 89, 16.5 and 3%, respectively.

We adjust our guidance for losses and writedowns in the bank to about DKK 350–400 million in 2013.

Full-year consolidated revenue is expected to be in the region of DKK 7 billion.

Outlook for 2014

For the full year 2014, the group expects to recognise a consolidated profit of DKK 450-500 million before losses and writedowns and a combined ratio of 91-92. Losses and writedowns are expected to be at the level of DKK 250-350 million.

Disclaimer

The forecast is based on the interest rate and price levels prevailing in mid-November 2013.
All other forward-looking statements are based exclusively on the information available when this report was released. This announcement contains forward-looking statements regarding the company's expectations for future financial developments and results and other statements which are not historical facts. Such forward-looking statements are based on various assumptions and expectations which reflect the company's current views and assumptions, but which are inherently subject to significant risks and uncertainties, including matters beyond the company's control. Actual and future results and developments may differ materially from those contained or assumed in such statements. Matters which may affect the future development and results of the group as well as of the individual business areas include changes in economic conditions in the financial markets, legislative changes, changes in the competitive environment, in the reinsurance market and in the property market, unforeseen events, such as extreme weather conditions or terrorist attacks, bad debts, major changes in the claims experience, unexpected outcomes of legal proceedings, etc.

The above-mentioned risk factors are not exhaustive. Investors and others who base their decisions on the information contained in this report should independently consider any uncertainties of significance to their decision.

This interim report has been translated from Danish into English. In the event of any discrepancy between the Danish-language version and the English-language version, the Danish-language version shall prevail.

Report – Non-life Insurance

DKKm	Q3 2013	Q3 2012	Q1-Q3 2013	Q1-Q3 2012	Year 2012
Gross premiums	1,281	1,229	3,764	3,630	4,866
Investment income on insurance business	3	2	8	11	13
Claims incurred	-780	-750	-2,400	-2,465	-3,180
Underwriting management expenses	-199	-186	-612	-575	-790
Profit from business ceded	-68	-50	-192	0	-86
Underwriting profit	**237**	**245**	**568**	**601**	**823**
Interest and dividends etc.	61	61	183	184	245
Capital gains/losses	-10	-52	-48	-92	-106
Management expenses relating to investment business	-5	-8	-16	-18	-23
Interest on technical provisions	-17	-18	-49	-69	-86
Profit on investments business after allocation of technical interest	**29**	**-17**	**70**	**5**	**30**
Profit before tax	**266**	**228**	**638**	**606**	**853**
Tax	-67	-57	-177	-152	-214
Profit for the year	**199**	**171**	**461**	**454**	**639**
Run-off gains/losses	6	75	143	158	235
Technical provisions	7,351	7,571	7,351	7,571	7,215
Insurance assets	139	239	139	239	143
Shareholders' equity	2,102	2,256	2,102	2,256	2,441
Total assets	10,314	10,638	10,314	10,638	10,579
Gross claims ratio	60.9%	61.0%	63.8%	67.9%	65.4%
Gross expense ratio	15.5%	15.1%	16.2%	15.8%	16.2%
Net reinsurance ratio	5.3%	4.1%	5.1%	0.0%	1.7%
Combined ratio	81.7%	80.2%	85.1%	83.7%	83.3%
Operating ratio	81.5%	80.1%	84.9%	83.5%	83.1%
Return on equity before tax p.a.	47%	42%	36%	38%	39%
Return on equity after tax p.a.	35%	31%	26%	28%	29%

Q3 performance

The group's non-life insurance activities generated a pre-tax profit of DKK 266 million in Q3 2013, compared with a profit of DKK 228 million in Q3 2012.

The performance was highly satisfactory and significantly better than expected. The performance equalled a return on equity of 47% p.a. before tax.

The technical result was a profit of DKK 237 million, against DKK 245 million in 2012.

The combined ratio was 81.7, which was significantly better than expected. Compared with the same period of last year, the combined ratio was favourably affected by fewer weather-related expenses and an improved performance of the underlying business. On the other hand, fewer run-off gains, a higher number of major claims and a slight increase in expenses detracted from the performance.

The combined ratio of the underlying business was 74.1 in Q3, against 76.8 in Q3 2012.

	2011	2012	Q3 2012	Q3 2013
Combined Ratio, underlying business	80.2	79.7	76.8	74.1
Major claims	6.8	6.2	6.6	7.4
claims	6.9	2.1	2.9	0.7
Run-off result	-3.2	-4.9	-6.1	-0.5
Reinstatement premiums	1.6	0.2	-6.1	-
Combined Ratio	92.3	83.3	74.1	81.7

The investment return after transfer to insurance activities was DKK 29 million, against a negative investment return of DKK 17 million in Q3 2012.

Premiums
Gross premium income amounted to DKK 1,281 million in Q3, an increase of 4.2% on Q3 2012, which was slightly better than expected at 30 June.

Growth in premium income derived mainly from Commercial, while growth from Private remained largely un-changed. In comparative terms, growth in premiums from the motor portfolio was weaker, as the passenger car fleet in Denmark is currently being replaced by smaller cars with cheaper insurance.

Claims experience
The Q3 claims ratio was 60.9, against 61.0 in Q3 2012. Net of run-off gains, the Q3 claims ratio was 61.8, against 66.1 in 2012. This performance was better than expected and driven by favourable weather conditions and an improved performance of the underlying business.

Underlying business
The underlying business performed better in Q3 2013 than in Q3 2012 and slightly better than expected. The number of claims was slightly higher, but average claims payments were lower than expected.

The results of the private customer business improved relative to the same period of last year. While the number of reported burglary claims is increasing, it remains at a low level.

The performance of the motor business remained highly satisfactory, and the results of building and contents insurances improved relative to the third quarter of 2012.

The performance of building insurances for Alm. Brand's commercial and agricultural customers, respectively, still failed to meet the company's profitability requirements. The company is therefore rewriting the policies of a number of customers, introducing higher deductibles and/or higher premiums. This will improve the performance but also result in a higher cessation rate for a period, especially in the segments in which the highest premium increases are introduced.

Major claims and weather-related claims
Expenses for major claims amounted to DKK 95 million in Q3, which was DKK 14 million higher than in Q3 2012 but lower than expected. The major claims ratio was 7.4.

Expenses for weather-related claims amounted to DKK 9 million in Q3, against DKK 36 million in 2012, which was significantly better than expected. The weather-related claims ratio was 0.7.

Discounting effect
Interest rates were slightly lower in the third quarter of 2013 than they were a year earlier. As a result, the discounting effect increased the claims ratio by 0.2 of a percentage point relative to Q3 2012.

Run-off result
The net run-off result for Q3 was a gain of DKK 6 million, compared with DKK 75 million in Q3 2012.

Costs
The expense ratio was 15.5 in Q3, compared with 15,1 in Q3 2012, and was in line with expectations. Costs were adversely affected by the group's digitalisation strategy, which requires investments, but which is also expected to lower the expense ratio longer term.

Net reinsurance ratio
The net reinsurance ratio was 5.3 in Q3, against 4.1 in Q3 2012.

Investment return
The investment return before transfer to insurance activities was DKK 46 million in Q3, against DKK 1 million in Q3 2012. The return after interest on technical provisions was DKK 29 million in Q3, against a negative return of DKK 17 million in Q3 2012.

Throughout the third quarter, the interest-bearing assets had a weighted duration of between two and three years. Most of the interest rate exposure on assets is aligned with the interest rate exposure on provisions by way of interest rate swaps.

The equity exposure of Non-life Insurance represents less than 1% of the investment assets.

The Q3 performance was lifted by rising interest rates, as the assets generally had lower interest rate sensitivity than the liabilities during the reporting period.

At 30 September 2013, the net interest rate risk in the event of a 1 percentage point increase in interest rates was minus DKK 32 million and minus DKK 23 million in the event of a 1 percentage point decline in interest rates.

The proportion of the assets used for hedging of the liabilities as well as the remaining part of the assets added to the overall return in the third quarter of 2013.

9M performance

The group's non-life insurance activities generated a pre-tax profit of DKK 638 million in 9M 2013, as compared with a DKK 606 million profit in 9M 2012.

The performance was highly satisfactory and equalled a return on equity of 36% p.a. before tax, against 38% p.a. in the year-earlier period.

The technical result was a profit of DKK 568 million, against DKK 601 million in 2012.

Premium income rose by 3.7% on the year-earlier period to DKK 3,764 million.

The combined ratio was 85.1, against 83.7 in 2012, while the combined ratio of the underlying business was 79.9, against 79.1 in the same period of last year.

	2011	2012	9M 2012	9M 2013
Combined Ratio, underlying business	80.2	79.7	79.1	79.9
Major claims	6.8	6.2	6.1	7.8
Weather-related claims	6.9	2.1	2.6	1.2
Run-off result	-3.2	-4.9	-4.4	-3.8
Reinstatement premiums	1.6	0.2	0.3	-
Combined Ratio	92.3	83.3	83.7	85.1

The combined ratio of the underlying business was 0.8 of a percentage point higher than in the year-earlier period and was adversely impacted by an interest rate change of 0.4 of a percentage point and by a 0.4 percentage point increase in expenses.

Major claims amounted to DKK 296 million in 9M, against DKK 222 million in 9M 2012. Compared with last year, major claims had a negative 1.7 percentage point impact on the combined ratio.

Weather-related claims totalled DKK 45 million, against DKK 96 million in 2012. Compared with last year, weather-related claims had a favourable 1.4 percentage point effect on the combined ratio.

The run-off result net of reinsurance totalled DKK 143 million, against DKK 158 million in 2012. Compared with last year, run-off gains had a negative 0.6 percentage point impact on the combined ratio.

The expense ratio was 16.2, against 15.8 in 2012. The higher expense ratio was in line with expectations and, among other things, due to investments to digitalise customer-facing processes. The goal for the current strategy period remains to achieve an expense ratio of about 15 by the end of 2016.

The investment return before transfer to insurance activities was DKK 119 million in 9M, against DKK 74 million in 2012. The return after interest on technical provisions was DKK 70 million for the 9M period, against DKK 5 million in 2012.

Capitalisation

The capital base of Alm. Brand Forsikring A/S totalled DKK 2,588 million at 30 September 2013, of which DKK 149 million was supplementary capital.

The company's Solvency I requirement was DKK 807 million. Accordingly, the company had excess liquidity of DKK 1,781 million, equivalent to a solvency ratio of 3.2. The individual solvency need was calculated at DKK 967 million, compared with DKK 1,009 million at 31 December 2012.

At 30 September 2013, the equity allocated to Non-life Insurance was DKK 2,1 billion.

Solvency II

Since 31 December 2012, Alm. Brand Forsikring has calculated its individual solvency need on the basis of the QIS4 model in a combination with Alm. Brand's partial internal model. The partial internal model covers the company's premium and reserve risk within Non-life Insurance – but not workers' compensation and personal accident insurances.

The Danish FSA has issued a new executive order on solvency and operating plans for insurance companies, which will enter into effect on 1 January 2014. The executive order specifies a new model for calculating the standardised solvency capital requirement. The executive order also provides scope for using internal models for the calculation of individual solvency provided the use of such models offers policyholders the same degree of certainty. Alm. Brand intends to continue to use the partial internal model from 1 January 2014.

The executive order also describes new approaches to calculating capital base, allowing for the recognition of future profit provided the financial institution also calculates the risk on future earnings and makes provisions for a risk margin provision to be deducted from the capital base.

The new rules are not expected to result in any significant changes to Alm. Brand Forsikring's solvency excess, but the issuance of Danish mortgage bonds will be subject to a higher capital requirement.

Events after the end of the reporting period

Storm on 28 October 2013
On Monday, 28 October 2013, the southern part of Denmark in particular was hit by a hurricane-force storm with the strongest wind gusts ever recorded in Denmark. The storm went ashore in southern Jutland and quickly spread in a north-easterly direction across Funen to Zealand. The highest wind speeds of 192.6 km/h were recorded at Kegnæs Fyr in southern Jutland.

The storm resulted in many personal injuries. While the property damage was extensive, the situation was not nearly as severe as the storm in December 1999 – the most expensive claims event recorded to date.

Alm. Brand expects to receive 20-25,000 claims reports. Many customers with claims to report used our online claims reporting system at almbrand.dk. As a result, our telephone response times were reasonable considering the many telephone calls we received the first couple of days.

Claims expenses related to this event are estimated at DKK 350-450 million. Alm. Brand has an excess of DKK 75 million on its reinsurance programme, and any claims above this amount will be covered by reinsurance. After payment of reinstatement premiums for renewal, the total expense is expected to be in the region of 120-140 million. The expenses will be recognised in the financial statements for the fourth quarter.

Outlook

Due to the claims related to the storm on 28 October, the outlook for the full-year profit before tax of Non-life Insurance is maintained at DKK 615 million.

The outlook for the combined ratio is maintained at the level of 89. The expense ratio and growth forecasts are also retained at about 16.5 and 3%, respectively.

Report – Banking

	PRO RATA					CONSOLIDATED FIGURES				
	Q3	Q3	Q1-Q3	Q1-Q3	Year	Q3	Q3	Q1-Q3	Q1-Q3	Year
DKKm	**2013**	**2012**	**2013**	**2012**	**2012**	**2013**	**2012**	**2013**	**2012**	**2012**
Interest receivable	139	177	436	556	720	142	180	445	562	728
Interest payable	-72	-102	-250	-348	-452	-73	-104	-253	-352	-457
Net interest income	**67**	**75**	**186**	**208**	**268**	**69**	**76**	**192**	**210**	**271**
Fees and commissions receivable (net) and dividends, etc.	38	30	113	93	125	37	30	113	94	124
Net interest and fee income	**105**	**105**	**299**	**301**	**393**	**106**	**106**	**305**	**304**	**395**
Value adjustments (excl. credit-related)	-17	-11	-62	23	37	-2	8	-52	56	75
Other operating income	22	13	53	35	50	22	13	53	35	51
Profit before expenses	**110**	**107**	**290**	**359**	**480**	**126**	**127**	**306**	**395**	**521**
Staff costs and administrative expenses	-96	-100	-305	-348	-441	-97	-100	-307	-349	-443
Depreciation, amortisation and impairment of property, plant and equipment	-14	-8	-35	-22	-33	-14	-8	-35	-22	-33
Other operating expenses	-10	-8	-38	-29	-43	-10	-9	-38	-30	-43
Profit from investments in associates and group enterprises	0	-1	-1	-1	-2	0	-1	-1	-1	-2
Profit before credit loses and tax	**-10**	**-10**	**-89**	**-41**	**-39**	**5**	**9**	**-75**	**-7**	**0**
Writedowns and credit-related value adjustments	-93	-166	-276	-332	-480	**-93**	**-166**	**-276**	**-332**	**-480**
Profit before tax	**-103**	**-176**	**-365**	**-373**	**-519**	**-88**	**-157**	**-351**	**-339**	**-480**
Tax	25	43	50	92	128	**25**	**43**	**50**	**92**	**128**
Profit for the period	**-78**	**-133**	**-315**	**-281**	**-391**	**-63**	**-114**	**-301**	**-247**	**-352**
Share attributable to minority interests	**-**	**-**	**-**	**-**	**-**	-15	-19	-14	-34	-39
Profit after tax excluding minority interests	-	-	-	-	-	**-78**	**-133**	**-315**	**-281**	**-391**
Profit before tax excluding minority interests	-	-	-	-	-	*-103*	*-176*	*-365*	*-373*	*-519*
Loans and advances	7,760	9,169	7,760	9,169	8,698	7,532	8,960	7,532	8,960	8,396
Deposits	10,825	10,647	10,825	10,647	11,325	10,825	10,647	10,825	10,647	11,325
Shareholders' equity	1,579	1,107	1,579	1,107	996	1,761	1,277	1,761	1,277	1,169
Share attributable to minority interests	-	-	-	-	-	182	170	182	170	173
Total assets	16,038	19,154	16,038	19,154	17,550	16,418	19,510	16,418	19,510	17,903
Average number of employees, full-time equivalents	262	277	262	287	275	262	277	262	278	275
Interest margin	-	-	-	-	-	1.7%	1.6%	1.6%	1.4%	1.4%
Income/cost ratio	0.41	0.30	0.30	0.41	0.37	0.50	0.38	0.33	0.47	0.42
Impairment ratio	0.5%	1.1%	1.4%	2.0%	2.8%	0.6%	1.2%	1.4%	2.1%	2.8%
Solvency ratio	-	-	-	-	-	19.1%	18.2%	19.1%	18.2%	18.5%
Return on equity before tax p.a.	-21%	-60%	-32%	-51%	-52%	-29%	-60%	-43%	-51%	-42%
Return on equity after tax p.a.	-15%	-45%	-27%	-38%	-39%	-22%	-45%	-37%	-38%	-31%

In order to increase the transparency of Alm. Brand Bank A/S' financial statements, the bank publishes pro rata consolidated figures. The figures are set out in the financial highlights and key ratios above and, unless otherwise indicated, the comments provided in the review below concern pro rata figures. Banking group figures are commented on only when found relevant. To the extent it is deemed relevant, 9M 2012 and Q2 2013, respectively, are used as benchmarks. The pro rata figures reflect the bank's proportionate ownership interests in the subsidiaries.

Financial results

The bank posted a loss of DKK 103 million before tax in Q3 2013. Of this amount, DKK 3 million was attributable to the bank's continuing activities and DKK 100 million to the bank's discontinued activities.

While the performance was in line with the guidance provided in connection with the H1 financial statements, it was still not satisfactory.

Excluding losses and writedowns of DKK 93 million, the bank reported a loss of DKK 10 million, marking an improvement of DKK 34 million on Q2 2013. The performance was composed of a profit of DKK 15 million from continuing activities and a loss of DKK 25 million from discontinued activities.

The bank posted an operating profit of DKK 7 million excluding losses and writedowns and value adjustments in Q3 2013, marking an improvement of DKK 15 million on Q2 2013.

The improvement was primarily driven by a decline in funding costs and staff costs and administrative expenses and by a decline in expenses for value adjustment of properties taken over temporarily.

In Q3, the bank repaid an additional DKK 200 million of the remaining state-funded hybrid core capital. Accordingly, the bank has repaid hybrid core capital in a total amount of DKK 630 million to date in 2013. Moreover, the bank repaid the last DKK 2 billion of issued government guaranteed bonds in 2013.

For the 9M period, the bank posted a pre-tax loss of DKK 365 million. Total impairment writedowns on loans, including credit-related value adjustments, amounted to DKK 276 million, resulting in a loss of DKK 89 million excluding impairment writedowns.

Net interest and fee income
Net fee and commission income was DKK 105 million in Q3, against DKK 108 million in Q2 2013.

Interest income and expenses
Net interest income amounted to DKK 67 million in Q3 2013, against DKK 65 million in Q2 2013.

The positive development was mainly driven by a combination of a decline in the bank's funding costs for hybrid capital, issued bonds and deposits of DKK 7 million in total. On the other hand, interest income from the bank's bond portfolio fell by DKK 6 million as a result of a smaller bond portfolio.

The interest margin for both the parent company and the banking group was 1.7% in Q3, against 1.6% and 1.7%, respectively, in Q2 2013.

For the 9M period, net interest income amounted to DKK 186 million, against DKK 208 million in the same period of last year. The interest margin for the parent company and the banking group was 1.5% and 1.6%, respectively, in 9M 2013, compared with 1.4% for both in 9M 2012.

Fee income and expenses
Net fee income amounted to DKK 38 million in Q3, against DKK 43 million in Q2 2013. The slightly lower level compared with the second quarter was in line with expectations and, among other things, due to lower trading activity in July and August.

For the 9M period, net fee income rose to DKK 113 million from DKK 93 million 9M 2012.

Value adjustments
In Q3, the bank posted negative value adjustments of DKK 17 million, compared with negative value adjustments of DKK 36 million in Q2 2013.

The negative value adjustments of DKK 17 million were mainly due to the bond portfolio, a part of which was placed in high coupon bonds, and to value adjustment losses as a result of the bond maturity effect. In Q3, the bank's bond portfolio produced a return corresponding to 1.4% p.a., which was satisfactory considering market developments. For the 9M period, the total bond return was 1.5% p.a., which is also considered satisfactory.

Both equity-related value adjustments and foreign currency translation adjustments were nil in the third quarter.

For the 9M period, value adjustments excluding credit-related value adjustments produced a loss of DKK 62 million, against a gain of DKK 23 million in 9M 2012.

Other operating income
Other operating income derives primarily from the bank's leasing activities. In Q3, this item increased to DKK 22 million from 15 million in Q2 2013. The increase was driven by a higher volume of operating leases, resulting, among other things, from the fact that Alm. Brand Leasing was the largest provider of private leases in terms of new car leases signed in the third quarter.

Costs
The bank’s staff costs and administrative expenses totalled DKK 96 million in Q3, marking a decline of DKK 10 million relative to Q2 2013.

The bank's staff costs and administrative expenses amounted to DKK 305 million in 9M, against DKK 348 million in 9M 2012.

Total depreciation and amortisation charges amounted to DKK 35 million in 9M, against DKK 22 million in 9M 2012. The increase was attributable to the higher level of leasing activity.

Other operating expenses
Other operating expenses came to DKK 10 million in Q3, against DKK 16 million in Q2 2013. The bank had expenses related to the Danish Guarantee Fund for Depositors and Investors of DKK 7 million and expenses and value adjustments in a total amount of DKK 3 million related to properties taken over temporarily.

For the 9M period, other operating expenses amounted to DKK 38 million, of which DKK 23 million concerned the bank's expenses related to the Guarantee Fund for Depositors and Investors and DKK 15 million concerned properties taken over temporarily. In 9M 2012, other operating expenses were DKK 29 million.

Writedowns and credit-related value adjustments
Total impairment writedowns on loans, including credit-related value adjustments, amounted to DKK 93 million in Q3, against DKK 91 million in Q2 2013. Losses and writedowns were within the projected range but remain high. For the 9M period, this item was DKK 276 million, against DKK 332 million in the same period of last year.

The bank's impairment writedowns on loans totalled DKK 56 million in Q3, against DKK 43 million in Q2 2013. Impairment writedowns remain high in the bank's agricultural and private customer segments.

Moreover, the bank recognised credit-related value adjustments of DKK 37 million in Q3, against DKK 48 million in Q2 2013.

Balance sheet

Loans and advances
The bank's loans and advances amounted to DKK 7.8 billion at 30 September 2013, compared with DKK 8.7 billion at 31 December 2012. Excluding developments in reverse transactions, intra-group transactions and writedowns, this marked a decline in loans and advances of DKK 524 million, of which DKK 373 million was attributable to the bank's discontinued activities.

Deposits
The bank's deposits amounted to DKK 10.8 billion at 30 September 2013, compared with DKK 11.3 billion at 31 December 2012.

The bank's continuous focus on reducing the deposit balance in step with the reduction of the bank's total lending resulted in a decline in deposits of DKK 0.3 billion in Q3. Despite the decline in deposits, the bank's deposit surplus increased by DKK 0.3 billion to DKK 3.1 billion in Q3.

Liquidity
At 30 September 2013, the bank had cash funds of DKK 4.2 billion and excess liquidity of DKK 2.8 billion, equivalent to an excess cover of 188% relative to the statutory requirement. In line with expectations, the repayment of the remaining government guaranteed bonds reduced the excess cover relative to the 256% re-ported at 31 December 2012. It is the bank's objective to further reduce the excess cover.

Capitalisation

The bank's equity stood at DKK 1.6 billion at 30 September 2013. The capital base totalled DKK 1.9 billion, and the risk-weighted items amounted to DKK 9.4 billion at 30 September 2013.

Accordingly, the solvency ratio was 19.7, and the core capital ratio was 18.2. The bank's individual solvency need was calculated at 14.6%, which means that the solvency ratio exceeded the individual solvency need by 5.1 percentage points.

The banking group's equity stood at DKK 1.8 billion at 30 September 2013, and the capital base totalled DKK 1.9 billion. Risk-weighted items in the banking group amounted to DKK 10.1 billion at 30 September 2013.

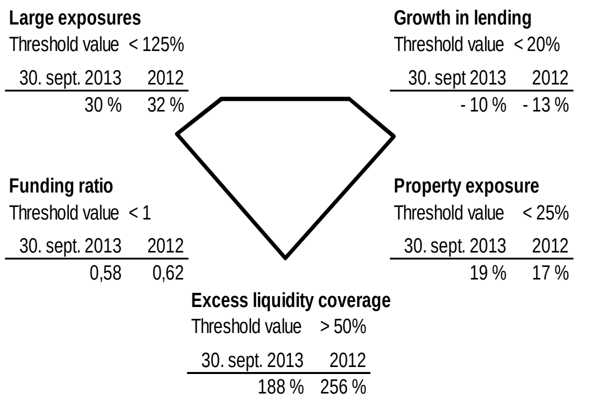
Accordingly, the banking group had a solvency ratio of 19.1, and a core capital ratio of 17.7. The banking group's individual solvency need was calculated at 14.6%, which means that the solvency ratio exceeded the individual solvency need by 4.5 percentage points.

New capital adequacy rules (CRD IV)
New capital adequacy rules adopted by the EU will enter into force on 1 January 2014. The new rules prescribe, among other things, that equity should constitute a greater part of the capital base and set stricter requirements for the quality of the capital. The rules also provide for a toughened scaling-down of the inclusion of supplementary capital and a tightening of the requirements for hybrid capital. The rules will be phased in from 2014 to 2019, but the most significant changes for the bank will take place already in 2014.

As a result of the new rules, the value of the bank's supplementary capital in the solvency calculation will decline by DKK 160 million on 1 January 2014. The bank expects to continue to maintain capital excess coverage relative to the statutory capital requirement.

Supervisory diamond

At 30 September 2013, the bank was in compliance with all five threshold values of the Danish FSA's supervisory diamond as shown in the figure below:



The changes in the bank's supervisory diamond values are in line with expectations. Lending growth remains negative due to the lending strategy of focusing exclusively on private customers. Moreover, the excess cover is declining as a result of the repayment of funding and reduction of deposits.

Major events

Repayment of government guaranteed bonds
On 1 July 2013, the bank repaid the remaining DKK 950 million of the original DKK 6 billion bond issue, which has now been repaid in full.

Capital injection into the bank and repayment of hybrid core capital
On 22 August 2013, Alm. Brand A/S injected DKK 200 million into Alm. Brand Bank A/S as equity. The capital injection was used on 11 September 2013 to repay an additional DKK 200 million of the remaining state-funded hybrid core capital, bringing it to DKK 226 million.

Outlook

The full-year guidance excluding losses and writedowns of a loss of DKK 100 million is maintained.

The bank adjusts its guidance for losses and writedowns in 2013 to DKK 350-400 million. The amount of losses and writedowns and credit-related value adjustments is subject to considerable uncertainty, and the guidance is based on current economic and market conditions.

Expectations for the reduction in lending excluding losses and writedowns related to the bank's discontinued activities remain unchanged at about DKK 0.6 billion in 2013.

THE BANK'S BUSINESS ACTIVITIES

Developments in the business areas Private Customers, Leasing and Financial Markets as well as in the bank's discontinued activities for the nine months ended 30 September 2013 are reviewed below.

Continuing activities

The bank's continuing activities are divided into the business areas Private Customers, Leasing and Financial Markets.

Private Customers handles activities related to servicing the bank's new and existing private customers.

The business area Leasing is focused on private leasing of passenger and commercial vehicles with related car fleet management for businesses.

Financial Markets handles the bank’s activities related to financial markets and comprises the areas Markets and Asset Management.

Continuing activities generated a profit of DKK 15 million excluding losses and writedowns in Q3 2013.

After losses and writedowns, continuing activities produced a loss of DKK 3 million.

Private Customers
In Private Customers, the strong inflow of full-service customers seen in the first half of 2013 continued in the third quarter. The increase was driven both by entirely new customers and by existing customers who increased the scope of their business to become full-service customers.

Among other things as a result of the development in full-service customers, earnings per household seen in isolation increased by 3% in Q3 and by close to 6% in 9M.

The gross increase in lending continued the positive trends seen in H1, totalling more than DKK 75 million in Q3. In the final part of the quarter, the decrease in lending to customers levelled off, resulting in a DKK 5 million increase in total loans and advances to private customers adjusted for losses and writedowns in the third quarter.

Total loans and advances to private customers declined by DKK 127 million from 31 December 2012 to DKK 2,315 million at 30 September 2013. Adjusted for losses and writedowns, the decline was DKK 51 million. Among other things, the decline was attributable to conversion of home loans to mortgage loans through the bank's business partner Totalkredit.

The portfolio of Totalkredit loans for which the bank acted as intermediary continued the positive trend from the first six months of the year, increasing by more than DKK 100 million. Accordingly, the total portfolio of Totalkredit loans for which the bank acted as intermediary has now passed the DKK 4 billion mark.

The bank's continuous focus on reducing the private customer deposit balance in step with the reduction of the bank's total lending resulted in a decline in deposits of close to 300 million in Q3. Since 31 December 2012, the bank has reduced its deposit balance by more than DKK 500 million.

Losses and writedowns amounted to DKK 18 million in Q3 and DKK 76 million in 9M, corresponding to 3.2% of the average portfolio. In spite of the decline recorded in the third quarter, the bank's impairment writedowns on private customers remain fairly high.

Leasing
In the first nine months of the year, more than twice as many cars were ordered and delivered as in all of 2012. In the third quarter, Leasing was the largest provider of private leases in terms of the number of new car leases and, for the 9M period, the number of new car leases equalled a market share of just over 25%.

Leasing for businesses and car fleet management continue to develop favourably, reporting a strong inflow of new business customers and a fair replacement rate in the existing portfolio.

Financial Markets
Earnings in Financial Markets were in line with expectations in the third quarter, driven equally by Markets and Asset Management.

Asset Management delivered a strong performance on the mandates under management.

In the lending portfolio table, the segment “Other loans and advances” covers exposures for which an investment mandate has also been placed with Markets. These loans form part of the bank's continuing portfolio.

Other loans and advances declined by DKK 99 million relative to 31 December 2012. The decline was mainly attributable to the discontinuation of a single exposure.

LOSS AND WRITEDOWNS	Loans			Loss and writedowns					
DKKm	31.12.2012	30.09.2013	Share of portfolio (%)	2012	Q1 2013	Q2 2013	Q3 2013	Q1-Q3 2013	Loss ratio [a)]
Continuing portfolio	**2,647**	**2,421**	**31.2%**	**57**	**29**	**27**	**18**	**74**	**2.9%**
Lending to private customers	2,442	2,315	29.8%	57	28	30	18	76	3.2%
Other loans and advances	205	106	1.4%	-	1	-3	-	-2	-1.3%
Winding-up portfolio	**5,642**	**5,068**	**65.3%**	**423**	**63**	**64**	**75**	**202**	**3.8%**
Agriculture	955	904	11.6%	156	26	18	47	91	9.8%
Car finance [b)]	230	140	1.8%	-1	-	-	-	-	0.0%
Commercial lending	1,158	1,104	14.2%	73	-18	-7	-3	-28	-2.5%
Property development projects	254	292	3.8%	1	2	-	-	2	0.7%
Mortgage deed financing	115	21	0.3%	23	3	5	-6	2	2.9%
Mortgage deeds [c)]	2,930	2,607	33.6%	155	50	47	37	134	4.8%
Shares [d)]	-	-	-	16	-	1	-	1	-
Total group lending - excl. Reverse Transactions	**8,289**	**7,489**	**96.5%**	**480**	**92**	**91**	**93**	**276**	**3.5%**
Reverse Transactions including intercompany transactions	107	44	0.6%	-	-	-	-	-	-
Total group lending	**8,396**	**7,533**	**97.1%**	**480**	**92**	**91**	**93**	**276**	**3.5%**
Minority interests	302	227	2.9%	-	-	-	-	-	-
Total prorata	**8,698**	**7,760**	**100.0%**	**480**	**92**	**91**	**93**	**276**	**3.5%**

a) Losses and writedowns as a percentage of the average portfolio in Q1-Q3 2013. The percentage is not comparable with the impairment ratio in the bank's financial highlights and key ratios.
b) Leases (continuing portfolio) is not included, as it is recognised as other property, plant and equipment and not as loans and advances
c) Credit losses and writedowns on mortgage deeds are recognised in value adjustments.
d) Shareholding taken over in connection with the winding up of a former credit exposure. Value adjustment of the shareholding is recognised under value adjustments.

Discontinued activities

Discontinued activities are continuously reduced and relate mainly to loans provided to agricultural and commercial customers and for mortgage deeds.

As part of the implementation of a controlled winding up of the individual exposures, there are cases in which the bank grants additional loans as part of its credit defence efforts to protect assets the bank holds as collateral.

This means that lending may increase in individual segments, although the lending segment is being wound up.

Discontinued activities produced a loss of DKK 25 million excluding losses and writedowns in Q3 2013.

Total loans and advances provided to discontinued activities declined by DKK 574 million to DKK 5,068 million in 2013 to date, now representing just over 65% of the bank's overall lending portfolio. Adjusted for losses and writedowns, loans and advances were reduced by DKK 373 million, which was in line with the expected level.

Agriculture
The agricultural portfolio amounted to DKK 904 million at 30 September 2013, marking a decline of DKK 51 million relative to 31 December 2012. Adjusted for losses and writedowns, the portfolio increased by DKK 40 million because the bank has granted loans for necessary investments and to secure continuing operations, thereby protecting the underlying value to the bank.

In the nine months ended 30 September 2013, losses and writedowns amounted to DKK 91 million, equivalent to 9.8% of the average portfolio. Just over 60% of this amount was attributable to milk producers, while the remaining share of almost 40% was attributable to pig farmers.

In general, times are still difficult for the bank's agricultural customers. The increase in impairment writedowns in the third quarter was due to additional drawings on existing credit facilities as well as to a reduction of the value of the underlying collateral.

Car finance
The overall portfolio has declined by DKK 90 million in 2013 to date to stand at DKK 140 million at 30 September. No losses or writedowns have been recognised on this segment in 2013 to date.

Commercial lending
The portfolio consists of loans for financing of investment properties, loans provided to small businesses and syndicated loans provided to medium-sized Danish businesses.

During 2013, the overall portfolio declined by DKK 54 million to stand at DKK 1,104 million. Adjusted for losses and writedowns, the portfolio declined by DKK 82 million. In Q3, the portfolio – adjusted for losses and writedowns – increased by DKK 27 million due to reclassification of a DKK 12 million exposure from mortgage financing to commercial lending and to additional drawings on existing credit facilities by a few major customers.

For the 9M period, losses and writedowns produced an income of DKK 28 million, resulting from writedowns reversed in connection with the closing down of exposures and to the underlying operations of certain commercial customers.

Property development projects

The portfolio consists of a limited number of property development projects. At 30 September 2013, almost 90% of lending in this segment related to a single project.

The portfolio has increased by DKK 38 million in 2013 to date, as the bank finances the completion of ongoing projects pursuant to existing agreements. Losses and writedowns amounted to DKK 2 million, corresponding to 0.7% of the average portfolio.

Mortgage deed exposure

The bank's overall mortgage deed exposure, comprising mortgage deed financing and mortgage deeds, has been reduced by DKK 417 million to DKK 2,628 million in 2013 to date.

Mortgage deeds run off naturally as a result of regular payments and redemptions. The natural run-off on the overall mortgage deed portfolio was approximately 7% p.a. in the 9M period.

Mortgage deed financing

At 30 September 2013, the portfolio totalled DKK 21 million, marking a decline of DKK 94 million in 2013 to date. The main reason for the decline was that the bank closed out a number of investment exposures and in that connection took over the collateral provided in the form of mortgage deeds. In addition, a single exposure of DKK 12 million was reclassified to commercial lending.

Losses and writedowns amounted to DKK 2 million in 9M, corresponding to 2.9% of the average portfolio.

Mortgage deeds

This segment comprises the bank’s own portfolio of private mortgage deeds and commercial mortgage deeds.

Private mortgage deeds amounted to DKK 1,939 million, comprising the bank’s portfolio of mortgage deeds secured primarily against single-family houses, commonhold flats and summer houses. The properties are located throughout Denmark.

Commercial mortgage deeds amounted to DKK 668 million and comprise mortgage deeds secured against residential rental property, commercial property for office, trade and industrial use as well as land and mixed residential/commercial property.

The portfolio is marked to market on a current basis using a cash flow-based pricing model, which takes into account factors such as estimated prepayments and credit losses. Individual writedowns are taken on all delinquent mortgages or mortgages known to be showing signs of weakness.

For the 9M period, the portfolio declined by DKK 323 million. Credit-related value adjustments amounted to DKK 134 million in the reporting period, equivalent to 4.8% of the average portfolio value. Of this amount, DKK 80 million was private mortgage deeds and DKK 54 million was commercial mortgage deeds.

Private mortgage deeds are still adversely affected by the general economic conditions, and the number of private mortgage deed delinquencies remains high. There was a small increase in the delinquency rate in the third quarter, and the decline seen in the second quarter hence proved to be transient.

The commercial property letting market remains weak and, although credit-related value adjustments of commercial mortgage deeds declined in the third quarter, a market recovery failed to materialise.

Capital reservation

The banking group's total capital reservation amounted to DKK 3,258 million at 30 September 2013, against DKK 3,478 million at 31 December 2012, corresponding to a decline of DKK 220 million.

The capital reservation equalled 34% of gross loans and advances and residual debt on mortgage deeds at 30 September 2013, which was an increase of 1 percentage point relative to 31 December 2012.

The capital reservation on the continuing portfolio corresponds to 19% of gross loans and advances, and the capital reservation on the discontinued portfolio represents 39% of gross loans and advances and residual debt on mortgage deeds.

Of the banking group's total capital reservation at 30 September 2013, accumulated writedowns amounted to DKK 1,435 million, compared with DKK 1,557 million at 31 December 2012. Accumulated writedowns in Q3 broke down as follows: DKK 249 million on the continuing portfolio and DKK 1,186 million on the discontinued portfolio.

CAPITAL RESERVATION	30.09.2013						31.12.2012	
DKKm	Gross lending/ outstanding debt	Balance	Difference [a)]	Required capital	Total reservation	Reservation relative to gross lending	Total reservation	Reservation relative to gross lending
Continuing portfolio	2,670	2,421	249	260	509	19%	515	18%
Winding-up portfolio	7,007	5,068	1,939	796	2,735	39%	2,952	38%
Total, excl. reverse transactions	**9,677**	**7,489**	**2,188**	**1,056**	**3,244**	**34%**	**3,467**	**33%**
Reverse transactions and intra-group transactions	44	44	-	14	14	32%	11	10%
Total, group	**9,721**	**7,533**	**2,188**	**1,070**	**3,258**	**34%**	**3,478**	**33%**

a) Accumulated writedowns and value adjustments of mortgage deeds.

Report – Life and Pension

DKKm	Q3 2013	Q3 2012	Q1-Q3 2013	Q1-Q3 2012	Year 2012
Premiums	190	208	655	643	903
Claims incurred	-354	-221	-1,702	-759	-973
Investment return after allocation of interest	151	302	120	662	856
Total underwriting management expenses	-20	-20	-59	-58	-79
Profit on business ceded	2	-3	-1	7	3
Change in life insurance provisions	172	-210	1,336	-314	-495
Change in collective bonus potential	-102	-33	-131	-120	-137
Government Tax on unallocated funds	-17	0	-148	0	0
Underwriting profit/loss	**22**	**23**	**70**	**61**	**78**
Return on investments allocated to equity	0	1	1	9	12
Profit before tax	**22**	**24**	**71**	**70**	**90**
Tax	-5	-4	-16	-16	-19
Profit after tax	**17**	**20**	**55**	**54**	**71**
Return requirement for shareholders' equity					
Return on investments allocated to equity	0	1	1	9	12
Result of portfolios without bonus entitlement	-1	-5	0	-8	-9
Interest result	2	2	8	8	11
Expense result	1	0	3	2	3
Risk result	20	28	61	63	78
Transferred to/from the shadow account	0	-2	-2	-4	-5
Profit before tax	**22**	**24**	**71**	**70**	**90**
Tax	-5	-4	-16	-16	-19
Profit after tax	**17**	**20**	**55**	**54**	**71**
Total technical provisions	11,258	12,251	11,258	12,251	12,463
Shareholders' equity	1,000	929	1,000	929	946
Total assets	13,042	14,065	13,042	14,065	14,366
Return on equity before tax p.a.	9%	11%	10%	10%	10%
Return on equity after tax p.a.	7%	8%	8%	8%	8%
Bonus rate	7.8%	5.7%	7.8%	5.7%	5.8%

Investment return on policyholders funds in Life and Pension Q1-Q3 2013	**Return ratio**
Interest-bearing assets	-1.8%
Shares	18.6%
Property	3.2%
Total	**1.1%**

Financial results

The Q3 performance was a pre-tax profit of DKK 23 million, against DKK 24 million in Q3 2012.

The 9M performance was a profit of DKK 71 million, against DKK 70 million in the year-earlier period. The performance was satisfactory and equalled a return on equity of 10% p.a. before tax.

The performance was composed of an expense and risk result of DKK 62 million, an interest rate result of DKK 8 million and a result on annuities without bonus entitlement of DKK 0 million and, lastly, an investment return on assets allocated to shareholders' equity of DKK 1 million.

In the nine months ended 30 September 2013, DKK 2 million was transferred to the shadow account, bringing the total balance to DKK 12 million.

Pension contributions

Payments into guaranteed schemes

Premiums totalled DKK 190 million in Q3, against DKK 208 million in Q3 2012. This figure covers a decline in regular premiums of 4.1% and a decline in single payments of 15.3% relative to Q3 2012. The decline in single payments in Q3 should be seen in the light of the relatively strong inflow recorded in Q3 2012.

For the 9M period, premium payments into guaranteed schemes rose by DKK 1.9% to DKK 655 million from DKK 643 million in 9M 2012. The increase was the result of growth in regular premiums of 2.6% and of 0.6% in single premiums.

As a result of the tax reform in Denmark in 2012, capital pension schemes are no longer eligible for tax relief effective from 2013. Customers paying into a capital pension were therefore already contacted in 2012 with a view to deciding on their future payments. About 65% of these customers have considered their options, and the vast majority of them have opted to transfer their payments to a new type of retirement pension called Alderspension. Most of the undecided customers have left their payments unchanged. The tax reform has therefore only had a limited adverse effect on premium payments to date, and a picture seems to be emerging that the general inflow of customers may offset the negative consequences of the tax reform.

Payments into market schemes

In addition to payments in Life and Pension, customers have the option of paying into market-based investment schemes with the bank. Payments into these schemes amounted to DKK 77 million in Q3, against DKK 75 million in Q3 2012.

A number of customers have tried to continue making payments into their capital pension, but until a decision has been made as to the tax treatment of future payments, these payments are not recognised as pension payments. At 30 September 2013, this amount was DKK 18 million.

For the 9M period, payments into investment schemes rose by DKK 1.3% to DKK 243 million, compared with DKK 246 million in 9M 2012.

Total pension payments

Total payments into pension schemes, including investment schemes in the bank, amounted to DKK 898 million in 9M 2013, which was an increase of 1.0% relative to 9M 2012.

Benefits paid

In connection with the tax reform in 2012, capital pension customers were given the option of paying the tax due on their schemes at a rate of 37.3%, compared to the normal rate of 40%. This option has subsequently been extended to apply in 2014 as well. About half of the customers have currently chosen to accept this scheme. Government taxes in a total amount of DKK 774 million were paid on behalf of customers in 9M 2013.

In addition, a DKK 148 million provision was made for taxes on unallocated provisions. As this tax is to be paid out of the customers' unallocated provisions, the amount was expensed under changes in collective bonus potential.

Total benefits paid increased to DKK 1,701 million in 9M, against DKK 759 million in 2012. In addition to the extraordinary payment of government taxes, the increase was due to benefits paid in connection with retirement.

As the portfolio gradually ages, a growing number of customers will reach pensionable age, triggering disbursement of their schemes as a lump sum or over a number of years.

Risk result

Net of reinsurance, the risk result, which expresses the difference between risk premiums and actual claims expenses, was an income of DKK 20 million in Q3, against DKK 28 million in Q3 2012.

This brought the 9M risk result to DKK 58 million, which was highly satisfactory. DKK 2 million of the risk result concerning disability was transferred to a shadow account.

Costs
Acquisition costs and administrative expenses totalled DKK 18 million in Q3, against DKK 19 million in Q3 2012.

Administrative expenses declined, whereas acquisition costs rose due to an increase in new business written.

Total expenses for the 9M period were slightly lower than expected.

Expense result
Net of reinsurance, the expense result, which expresses the difference between expense loading and expenses incurred, was positive at DKK 3 million for the nine months ended 30 September 2013. The expense result was satisfactory, especially considering the extra administrative burden imposed by the tax reform in the form of transfer and payment of indirect capital pension taxes.

Investment return on policyholders' funds
Investment assets belonging to policyholders produced a return of DKK 170 million in Q3 2013, corresponding to a return of 1.3% (5.2% p.a.), against a return of DKK 366 million in Q3 2012.

The Q3 return was attributable to capital gains on the equity portfolio, while the return on bonds and interest hedging arrangements was marginally negative in Q3 due to rising interest rates.

For the 9M period, the return was DKK 140 million, equivalent to a return of 1.1% (1.5% p.a.).

For the year as a whole, equities produced a strong return, while rising interest rates triggered a capital loss on bonds and interest hedging arrangements. The return was calculated before tax on pension returns but after investment costs.

Relative to the benchmark performance, the return on policyholders' investment assets was satisfactory.

Total investment assets amounted to DKK 11.6 billion at 30 September 2013. The investment assets are placed in bonds, equities and property.

Payment of government taxes due to the tax reform was effected by the sale of mortgage bonds, causing the proportion of mortgage bonds relative to total investment assets to decline in the 9M period.

Bonds
Bonds make up a total of 68% of the overall portfolio of policyholders' funds. The return was 0% in Q3 2013 (0% p.a.).

For the 9M period, the return was negative at 1.8% (negative return of 2.4% p.a.).

Equities
Equities make up a total of 17% of the overall portfolio of policyholders' funds. The return was 9.5% in Q3 2013 (38.0% p.a.).

For the 9M period, the return was 18.6% (24.8% p.a.).

Property
Properties represent a total of 14% of the portfolio of policyholders' funds. For the 9M period, the return on the property portfolio was 3.2% (4.3% p.a.). The return was in line with the budget. The return is related to the operation of the properties. Accordingly, no significant value adjustments were made to the property portfolio in the 9M period.

Financial instruments
Financial instruments used for partial hedging of insurance liabilities made a negative contribution to the return due to the rising level of interest rates. Hedging activities declined relative to the beginning of the year due to the extraordinary payment of government taxes, which reduced total assets and the interest rate risk on liabilities.

Life insurance provisions
Total life insurance provisions declined by DKK 1,336 million to DKK 10.5 billion in 9M 2013. The decline was mainly attributable to extraordinary payments of government taxes in connection with the tax reform and an increase in the discount rate.

Collective bonus potential
In Q3 2013, the collective bonus potential increased by DKK 102 million excluding provisions for government taxes to stand at DKK 718 million. This corresponds to an average bonus rate of 7.8%. The increase was driven by favourable equity market developments. The rising interest rates resulted in capital losses but also served to improve the future return potential.

New policyholders are placed in interest rate group 0, which had a bonus rate of 11.3% at 30 September 2013.

The bonus rate remained highly satisfactory from an overall perspective.

The bonus rate is low in interest rate group 3, which comprises customers with a high guarantee rate. The investment composition in this group therefore involves much less risk than the other interest rate groups. This group holds a significant share of bonds and financial instruments. The rising interest rates resulted in capital losses on these investments in the 9M period, but this was more than offset by a decline in provisions due to a higher discount rate. Accordingly, there was a fine balance between investments and liabilities in the group.

The table below shows current rate on policy-holders' savings, bonus rate, return and breakdown of policy-holders' investment assets on the four interest rate groups into which the portfolio of policies with bonus entitlement is divided.

		Interest rate group				
	U74*	0	1	2	3	I alt
Technical rate of interest (% p.a.)		0,5-1,5	1,5-2,5	2,5-3,5	3,5-4,5	
Rate on policyholders' savings (% p.a.)		3.00	3.00	3.75	4.75	0
Investment assets (DKKbn)	0.1	3.8	1.9	1.3	4.5	
Bonus rate (%)		11.30	14.00	7.50	1.20	7.8
Return (% ytd)		3.8	2.0	0.4	-1.2	1.1
Bonds	100%	52%	51%	76%	81%	67%
Equities	0%	29%	27%	9%	4%	16%
Properties	0%	19%	17%	13%	10%	14%
Interest rate derivatives	0%	0%	5%	2%	5%	3%

*Portfolios without bonus entitlement

Capitalisation

The capital base of Alm. Brand Liv og Pension A/S totalled DKK 1,136 million at 30 September 2013, of which DKK 113 million was supplementary capital.

The company's Solvency I requirement was DKK 450 million. Accordingly, excess liquidity was DKK 686 million, corresponding to an excess coverage of 252% relative to the statutory solvency requirement. The individual solvency need was calculated at DKK 230 million, against DKK 314 million at 31 December 2012.

Equity allocated to life insurance was DKK 1.000 million at 30 September 2013.

Major events

New life expectancy benchmark
The Danish FSA has announced a new benchmark for remaining life expectancy, which is used for the calculation of life insurance provisions.

The new benchmark must be implemented by 31 December 2013 at the latest.

Life and Pension implemented the new benchmark effective 30 September 2013.

For portfolios with bonus entitlement, the implementation of the new benchmark resulted in a DKK 20 million increase of provisions, which was financed by the collective bonus potential.

For portfolios without bonus entitlement, the provision increased by DKK 2 million, which was financed through equity.

Outlook

The guidance for a full-year profit of DKK 75 million before tax is maintained.

The company expects to be able to book a risk allowance for all contribution groups in 2013. However, the results of the interest rate groups will rely entirely on developments in the financial markets.

Developments in premium income and provisions will depend on the action taken by customers who have not yet decided on their capital pension. The company does not expect to have a clear picture of this until spring 2014.

Statement by the Management Board and the Board of Directors

The Board of Directors and the Management Board have today considered and adopted the interim report of Alm. Brand A/S for the nine months ended 30 September 2013.

The consolidated financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU, and the interim financial statements of the parent company have been prepared in accordance with the Danish Financial Business Act. In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for listed financial enterprises.

In our opinion, the accounting policies applied are appropriate, and the interim report gives a true and fair view of the group’s and the parent company’s assets, liabilities and financial position at 30 September 2013 and of the results of the group’s and the parent company’s operations and the group’s cash flows for the nine months ended 30 September 2013.

The Management's review also gives a true and fair view of developments in the activities and financial position of the group and a true and fair description of significant risk and uncertainty factors that may affect the group.

MANAGEMENT BOARD

Copenhagen, 21 November 2013

Søren Boe Mortensen
Chief Executive Officer

BOARD OF DIRECTORS

Copenhagen, 21 November 2013

Jørgen H. Mikkelsen
Chairman

Boris N. Kjeldsen
Deputy Chairman

Ebbe Castella

Henrik Christensen

Per V. H. Frandsen

Karin Sofie Hansen-Hoeck

Arne Nielsen

Jan Skytte Pedersen

Lars Christensen

Helle L. Frederiksen

Henning Kaffka

Susanne Larsen

Balance sheet

	Group		
	30 September	30 September	31 December
DKKm	2013	2012	2012
Assets			
Intangible assets	0	0	0
Owner-occupied properties	1,057	1,079	1,059
Deferred tax assets	553	692	665
Participating interests in joint ventures	42	44	44
Reinsurers' share of insurance contracts	162	263	164
Current tax assets	0	6	4
Other assets	1,440	1,342	1,299
Loans	7,532	8,960	8,396
Investment properties	394	410	393
Investment assets	27,150	29,831	29,350
Amounts due from credit institutions and central banks	661	888	879
Cash in hand and demand deposits	300	497	306
Total assets	**39,291**	**44,012**	**42,559**

Liabilities and equity			
Share capital	1,735	1,735	1,735
Reserves, retained profit etc.	2,778	2,555	2,634
Minority interests	145	136	137
Consolidated shareholders' equity	**4,658**	**4,426**	**4,506**
Subordinated debt	1,100	1,829	1,829
Provisions for insurance contracts	18,609	19,822	19,678
Other provisions	29	28	28
Deferred tax liabilities	46	46	46
Issued bonds	31	2,032	2,032
Other liabilities	1,364	1,171	1,018
Deposits	10,670	10,549	11,240
Payables to credit institutions and central banks	2,784	4,109	2,182
Total liabilities and equity	**39,291**	**44,012**	**42,559**

Note 1 Own shares
Note 2 Contingent liabilities, guaranties and leasing
Note 3 Accounting policies - Group
Note 4 Financial highlights and key ratios

Income statement

					Group
	Q3	Q3	Q1-Q3	Q1-Q3	Year
DKKm	**2013**	**2012**	**2013**	**2012**	**2012**
Income					
Premium income	1,471	1,437	4,419	4,273	5,769
Interest income etc.	295	347	931	1,077	1,414
Fee income etc.	29	21	84	64	86
Other income from investment activities	-9	4	-2	26	25
Income associates	0	1	2	2	2
Other income	22	13	53	35	51
Total income	**1,808**	**1,823**	**5,487**	**5,477**	**7,347**
Costs					
Claims incurred	-1,134	-971	-4,102	-3,224	-4,153
Interest expenses	-92	-127	-307	-425	-550
Other cost from investment activities	-12	-14	-37	-39	-50
Impairment of loans, advances and receivables, etc.	-56	-135	-141	-238	-309
Acquisition and administrative costs	-320	-306	-995	-992	-1,326
Total costs	**-1,614**	**-1,553**	**-5,582**	**-4,918**	**-6,388**
Profit from business ceded	-66	-53	-193	7	-83
Change in life insurance provisions	172	-210	1,336	-314	-495
Change in collective bonus potential	-119	-33	-279	-120	-116
Exchange rate adjustments	24	157	-423	284	297
Tax on pension investment returns	-19	-54	-25	-120	-151
Profit before tax	**186**	**77**	**321**	**296**	**411**
Tax	-45	-14	-137	-67	-94
Profit after tax	**141**	**63**	**184**	**229**	**317**
The profit before tax is allocated as follows:					
Share attributable to Alm. Brand	174	62	310	269	380
Share attributable to minority shareholders	12	15	11	27	31
Profit before tax	**186**	**77**	**321**	**296**	**411**
The profit after tax is allocated as follows:					
Share attributable to Alm. Brand	129	48	173	202	286
Share attributable to minority shareholders	12	15	11	27	31
Profit after tax	**141**	**63**	**184**	**229**	**317**
Earnings per share, DKK	0.8	0.3	1.0	1.2	1.7
Diluted earnings per share, DKK	0.8	0.3	1.0	1.2	1.7

Comprehensive income

Profit for the year	141	63	184	229	317
Revaluation of owner-occupied properties	0	0	0	0	21
Transferred to collective bonus potential	0	0	0	0	-21
Comprehensive income	**141**	**63**	**184**	**229**	**317**
Proposed allocation of profit/loss:					
Share attributable to Alm. Brand	129	48	173	202	286
Share attributable to minority shareholders	12	15	11	27	31
Comprehensive income	**141**	**63**	**184**	**229**	**317**

Statement of changes in equity

DKKm	Share capital	Contingency funds	Other provi-sions	Retained profit	Share-holders' equity	Minority interests	Consoli-dated equity
Shareholders equity, 1 January 2012	**1,735**	**182**	**1,215**	**961**	**4,093**	**113**	**4,206**
Changes in equity Q1-Q3 2012:							
Profit/loss for the period				202	202	27	229
Total income	0	0		202	202	27	229
Repurchased shares				-2	-2		-2
Purchase and sale of treasury shares in subsidiaries				-5	-5	0	-5
Tax on changes recognised in equity				2	2		2
Change in share attributable to minority interest				0	0	-4	-4
Changes in equity	**0**	**0**	**0**	**197**	**197**	**23**	**220**
Shareholders equity, 30 September 2012	**1,735**	**182**	**1,215**	**1,158**	**4,290**	**136**	**4,426**
Shareholders equity, 1 January 2012	**1,735**	**182**	**1,215**	**961**	**4,093**	**113**	**4,206**
Changes in equity 2012:							
Profit/loss for the year				286	286	31	317
Revaluation of owner-occupied properties				21	21		21
Transferred to collective bonus potential				-21	-21		-21
Tax on changes recognised in equity				0	0		0
Total income	0	0	0	286	286	31	317
Share option scheme				3	3		3
Purchase and sale of treasury shares				-6	-6		-6
Purchase and sale of treasury shares in subsidiaries				-7	-7	-7	-14
Tax on changes recognised in equity				0	0		0
Change in share attributable to minority interest				0	0	0	0
Changes in equity	**0**	**0**	**0**	**276**	**276**	**24**	**300**
Shareholders equity, 31 December 2012	**1,735**	**182**	**1,215**	**1,237**	**4,369**	**137**	**4,506**
Shareholders equity, 1 January 2013	**1,735**	**182**	**1,215**	**1,237**	**4,369**	**137**	**4,506**
Changes in equity Q1-Q3 2013:							
Profit/loss for the period				173	173	11	184
Total income	0	0	0	173	173	11	184
Purchase and sale of treasury shares				-30	-30		-30
Purchase and sale of treasury shares in subsidiaries				-2	-2		-2
Share option scheme				3	3		3
Change in share attributable to minority interest				0	0	-3	-3
Changes in equity	**0**	**0**	**0**	**144**	**144**	**8**	**152**
Shareholders equity, 30 September 2013	**1,735**	**182**	**1,215**	**1,381**	**4,513**	**145**	**4,658**

	30 September 2013	31 December 2012
Shareholders' equity exclusive minority interests	4,513	4,369
Consolidation of Pensionskassen under Alm. Brand A/S	-5	-6
Shareholders' equity under the rules of the Danish Financial Supervisory Authority exclusive minority interests	**4,508**	**4,363**
Share of profit attributable to Alm. Brand A/S	173	286
Consolidation of Pensionskassen under Alm. Brand A/S	1	-2
Share of profit attributable to Alm. Brand A/S under the rules of the Danish Financial Supervisory Authority	**174**	**284**

Capital target

DKKm	Capital base at 30 September 2013
Consolidated equity	4,658
Tax asset	-538
Supplementary capital	975
Consolidated capital base	**5,095**

DKKm	Capital target 30 September 2013
Non-life insurance (40% of gross premium income)	2,017
Life and Pension (8.75% of life insurance provisions)	918
Alm. Brand Bank (17.6% of risk weighted assets) *)	1,653
Capital tied Minority interests	76
Diversification effects	-300
Consolidated capital target	**4,364**

**) Calculated as the individual solvency need at 30 September 2013 plus 3 percentage points*

Statutory capital requirement for the group at 30 September 2013	**2,888**
Excess relative to statutory capital requirement	**2,207**
Excess relative to internal capital target	**731**

Cash flow statement

DKKm	Q1-Q3 2013	Q1-Q3 2012	Group Year 2012
Cash flows from operating activities			
Premiums received	4,731	4,748	5,978
Claims paid	-4,285	-3,537	-4,551
Interest receivable, dividends, etc.	823	1,077	1,435
Interest payable	-253	-352	-455
Payments concerning reinsurance	-186	104	117
Fee income received	102	84	116
Fee income paid	-21	-22	-31
Expences paid	-920	-1,036	-1,319
Tax on pension investment returns paid	-152	-147	-151
Acquisition of intangible assets, furniture, equipments etc.	-92	-54	-66
Other ordinary income received	53	35	39
Taxes paid/received	-1	0	6
Cash flows from operating activities	**-201**	**900**	**1,118**
Change in investment placement (net)			
Properties acquired or converted	-1	24	-48
Sale of property	0	0	41
Sale/aquisition of equity investments	99	147	181
Sale/repayment of mortgage deeds and loans	862	1,003	1,416
Sale/aquisition of bonds	1,742	17	432
Change in investment placement (net)	**2,702**	**1,191**	**2,022**
Change in financing (net)			
Other provisions	2	2	0
Sale/purchase of treasury shares	-30	-2	-3
Sale/acquisition of subsidiaries (change in minority interests)	-2	-4	-14
Subordinated debt	-731	0	0
Change in issued bonds	-570	2,594	3,284
Change in deposits	603	-503	-2,429
Change in payables to credit institutions	0	0	0
Change in financing (net)	**-5,450**	**-3,826**	**-6,324**
Net change in cash and cash equivalents	**-224**	**178**	**-22**
Cash and cash equivalents, beginning of period	961	1,385	1,185
Cash and cash equivalents, end of period	**737**	**1,563**	**1,163**

Segment reporting

DKKm	Non-life	Bank	Life	Other	Elimi-nation	Group
Q1-Q3 2013						
Premium income	3,764	0	655	0		4,419
Interest income etc.	185	445	303	0	-2	931
Fee income etc.	0	113	0	0	-29	84
Other investment income	1	0	53	0	-56	-2
Income associates	0	2	3	0	-3	2
Other income	0	53	0	0		53
Total income	**3,950**	**613**	**1,014**	**0**	**-90**	**5,487**
Claims incurred	-2,400	0	-1,702	0		-4,102
Interest expenses	-44	-253	-3	-9	2	-307
Other investment expenses	-16	0	-25	-25	29	-37
Provisions for bad and doubtful debts	0	-141	0	0		-141
Acquisition and administrative expenses	-612	-380	-59	0	56	-995
Total expenses	**-3,072**	**-774**	**-1,789**	**-34**	**87**	**-5,582**
Result of business ceded	-192	0	-1	0		-193
Change in life insurance provisions	0	0	1,336	0		1,336
Change in collective bonus potential	0	0	-279	0		-279
Exchange rate adjustments	-48	-190	-185	0		-423
Tax on pension investment returns	0	0	-25	0		-25
Profit before tax	**638**	**-351**	**71**	**-34**	**-3**	**321**
Tax	-177	50	-16	6		-137
Profit after tax	**461**	**-301**	**55**	**-28**	**-3**	**184**
Q1-Q3 2012						
Premium income	3,630	0	643	0		4,273
Interest income etc.	188	562	328	1	-2	1,077
Fee income etc.	0	94	0	0	-30	64
Other investment income	1	0	67	0	-42	26
Income associates	0	2	7	0	-7	2
Other income	0	35	0	0		35
Total income	**3,819**	**693**	**1,045**	**1**	**-81**	**5,477**
Claims incurred	-2,465	0	-759	0		-3,224
Interest expenses	-63	-352	-3	-9	2	-425
Other investment expenses	-18	0	-25	-26	30	-39
Provisions for bad and doubtful debts	0	-238	0	0		-238
Acquisition and administrative expenses	-575	-401	-58	0	42	-992
Total expenses	**-3,121**	**-991**	**-845**	**-35**	**74**	**-4,918**
Result of business ceded	0	0	7	0		7
Change in life insurance provisions	0	0	-314	0		-314
Change in collective bonus potential	0	0	-120	0		-120
Exchange rate adjustments	-92	-41	417	0		284
Tax on pension investment returns	0	0	-120	0		-120
Profit before tax	**606**	**-339**	**70**	**-34**	**-7**	**296**
Tax	-152	92	-16	9		-67
Profit after tax	**454**	**-247**	**54**	**-25**	**-7**	**229**

Notes

DKKm	Q1-Q3 2013	Q1-Q3 2012	Year 2012
			Group
Note 1 Own Shares - Group			
Carrying amount, beginning of year	0	0	0
Value adjustments	-30	-2	-7
Acquired during the period	30	7	12
Sold during the period	0	-5	-5
Carrying amount, end of period	**0**	**0**	**0**
Nominal value, beginning of year	7	3	3
Acquired during the period	16	6	9
Sold during the period	0	-5	-5
Nominal value, end of period	**23**	**4**	**7**
Holding (number of shares), beginning of year	710	298	298
Additions, number of shares	1,566	588	893
Disposals, number of shares	0	-480	-481
Holding (number of shares), end of period	**2,276**	**406**	**710**
Percentage of share capital, end of period	**1.3%**	**0.2%**	**0.4%**
Note 2 Contingent liabilities, guaranties and leasing			
Guarantee commitments	**1,532**	**1,495**	**1,473**

Note 3 Accounting policies - Group

The consolidated interim report has been prepared in compliance with IAS 34 “Interim Financial Reporting” and the requirements of the Danish Financial Business Act and NASDAQ OMX Copenhagen A/S applying to interim financial reporting of Danish listed financial enterprises. The application of IAS 34 means that the report is limited relative to the presentation of a full annual report.

The parent company financial statements have been prepared in accordance with the provisions of the - Danish Financial Business Act, including the Executive Order on financial reports presented by insurance companies and profession-specific pension funds.

IFRS 13 "Fair value measurement" was implemented with effect from 1 January 2013, when the standard entered into force. The standard provides a single framework for measuring fair value and provides guidance on how to measure fair value along with disclosure requirements. The implementation did not have any significant effect on the financial results.

The accounting policies applied for the consolidated financial statements are other wise unchanged from the policies applied for the Annual Report 2012.

The accounting policies of the parent company are described in connection with the parent company’s interim report, as detailed in a separate section of this report.

The interim report for the nine months ended 30 Setptember 2013 is unaudited.

Note 4 Financial highlights and key ratios

Referring to management’s report.

Balance sheet

		Parent company		
		30 September	30 September	31 December
DKKm	**Note**	**2013**	**2012**	**2012**
Assets				
Investment in group enterprises	1	4,681	4,293	4,384
Total investments in group enterprises and associates		**4,681**	**4,293**	**4,384**
Equity investments		1	1	1
Other loans and advances		2	2	2
Deposits with credit institutions		70	250	225
Cash in hand and balances at call		13	5	11
Total other financial investment assets		**86**	**258**	**239**
Total investment assets		**4,767**	**4,551**	**4,623**
Receiveables from group enterprises		9	5	11
Other receivables		38	37	37
Total receivables		**47**	**42**	**48**
Current tax assets		26	19	17
Deferred tax assets		13	19	17
Total other assets		**39**	**38**	**34**
Total assets		**4,853**	**4,631**	**4,705**
Liabilities and equity				
Share capital		1,735	1,735	1,735
Other provisions		1,217	1,215	1,215
Retained earnings		1,556	1,335	1,413
Total shareholders' equity		**4,508**	**4,285**	**4,363**
Subordinated loan capital		250	250	250
Total subordinated loan capital		**250**	**250**	**250**
Deferred tax liabilities		46	46	46
Total provisions		**46**	**46**	**46**
Payables to subsidiaries		4	2	2
Issued bonds		31	32	32
Other payables		14	13	12
Total payables		**49**	**47**	**46**
Deferred income		0	3	0
Total liabilities and equity		**4,853**	**4,631**	**4,705**

Income statement

		Parent company				
		Q3	Q3	Q1-Q3	Q1-Q3	Year
DKKm	**Note**	**2013**	**2012**	**2013**	**2012**	**2012**
Income from group enterprises	2	137	58	200	227	319
Interest income and dividends, etc.		0	0	0	1	1
Interest expenses		-3	-6	-9	-10	-13
Administrative expenses related to investment activities		-7	-9	-23	-26	-34
Profit before tax		**127**	**43**	**168**	**192**	**273**
Tax		2	4	6	9	11
Profit after tax		**129**	**47**	**174**	**201**	**284**

Comprehensive income

Profit for the period	129	47	174	201	284
Comprehensive income	**129**	**47**	**174**	**201**	**284**
Proposed allocation of profit/loss:					
Retained earnings	129	47	174	201	284

Note 3 Accounting policies parent company

Statement of changes in equity

				Parent company
DKKm	**Share-Capital**	**Other provisions**	**Retained earnings**	**Shareholders' equity**
Shareholders equity, 1 January 2012	**1,735**	**1,215**	**1,139**	**4,089**
Changes in equity Q1-Q3 2012:				
Profit/loss for the period			201	201
Total income			201	201
Purchase and sale of treasury shares			-2	-2
Repurchased shares			-5	-5
Tax on changes recognised in equity			2	2
Changes in equity	**0**	**0**	**196**	**196**
Shareholders equity, 30 September 2012	**1,735**	**1,215**	**1,335**	**4,285**
Shareholders equity, 1 January 2012	**1,735**	**1,215**	**1,139**	**4,089**
Changes in equity 2012:				
Profit/loss for the year			284	284
Total income			284	284
Cost relating to share issue			-6	-6
Purchase and sale of treasury shares in subsidiaries			-7	-7
Share option scheme			3	3
Tax on changes recognised in equity			0	0
Changes in equity	**0**	**0**	**274**	**274**
Shareholders equity, 31 December 2012	**1,735**	**1,215**	**1,413**	**4,363**
Shareholders equity, 1 January 2013	**1,735**	**1,215**	**1,413**	**4,363**
Changes in equity Q1-Q3 2013:				
Profit/loss for the period			174	174
Total income			174	174
Purchase and sale of treasury shares			-30	-30
Purchase and sale of treasury shares in subsidiaries			-2	-2
Share option scheme			3	3
Changes in equity	**0**	**0**	**145**	**145**
Shareholders equity, 30 September 2013	**1,735**	**1,215**	**1,558**	**4,508**

Notes

Note 1 Investment in group enterprises

DKKm	Parent company 30 September 2013	30 September 2012	31 December 2012
Cost, beginning of year	7,591	7,291	7,291
Additions during the period	900	300	300
Cost, end of period	8,491	7,591	7,591
Revaluation and impairment, beginning of year	-3,201	-3,020	-3,020
Dividend received	-800	-500	-500
Profit for the period	200	227	319
Revaluation and impairment of treasury shares in subsidiaries	-9	-5	-6
Revaluation and impairment, end of period	-3,810	-3,298	-3,207
Carrying amount, end of period	**4,681**	**4,293**	**4,384**
Specification of carrying amount:			
Alm. Brand Bank A/S	1,579	1,107	996
Alm. Brand Forsikring A/S	3,101	3,185	3,387
Asgaard Finans A/S	1	1	1
Carrying amount, end of period	4,681	4,293	4,384

Note 2 Income from group enterprises

DKKm	Parent company Q1-Q3 2013	Q1-Q3 2012	Year 2012
Alm. Brand Bank A/S	-315	-281	-391
Alm. Brand Forsikring A/S	515	508	710
Asgaard Finans A/S	0	0	0
Total income from group enterprises	**200**	**227**	**319**

Note 3 Accounting policies parent company

The interim report is presented in compliance with the Danish Financial Business Act, including the Executive Order on financial reports presented by insurance companies and profession-specific pension funds.

In addition, the interim report has been presented in accordance with additional Danish disclosure requirements for the interim reports of listed financial enterprises.

The accounting policies of the parent company on the recognition and measurement are in accordance with the accounting policies of the group, except for the following point:

Investments in subsidiaries are recognised and measured at the parent company's share of the subsidiaries' net asset value at the balance sheet date. The value of Pensionskassen under Alm. Brand A/S is not recognised in the balance sheet but is exclusively disclosed as a contingent liability.

The accounting policies are unchanged from the policies applied in the Annual Report 2012.

The interim report for the nine months ended 30 September 2013 is unaudited.